FOR MYSORE STATE

Del (1950) Department.

MJ SERIES.

G.O. No 1643

Dated 24.6.50

[Despatch Abstract.]

G.O.NO. 1643/24-6-50 LABOUR - DISPUTES - DEMANDS OF THE WORKERS OF MADRAS CORPORATION - PAPERS - RECORDED.

GOVERNMENT OF MADRAS
DEVELOPMENT DEPARTMENT.

Memorandum No.56684-P.III/49-11, dated 23-3-1950.

Sub: Labour - Corporation of Madras - Demand of corporation workers to increase the basic wages.

Ref:1. Government's Memorandum No.56684-P.III/49-2, dated 29-6-49.

2. From the Commissioner of Corporation, Madras No.C.A.D.C.No.C.2. 2674 of 1949 dated 10-12-1949.

The attention of the Commissioner, Corporation of Madras is drawn to the Government's Memorandum cited and to the provisions of the Minimum Wages Act, 1948. As he is already aware, the Government are now taking steps to fix minimum rates of wages for employment under any local authority under the provisions of the Minimum Wages Act and when once this is done the Corporation of Madras will have to adopt the basic wages so fixed irrespective of its financial considerations. The Government consider it in advisable to have a disgruntled labour force employed by the Corporation, without efforts being made to remedy their legitimate grievances, when other private employers are being compelled to fall in line. The Commissioner of Corporation is requested to bring this to the notice of the Council and to take early steps to improve the position.

P.S.Viswanatha Ayyar,
Secretary to Government.

To
The Commissioner, Corporation of Madras, through the Mayor of Madras.
Copy to the Commissioner of Labour.

(True Copy)

RB: 22-7.

Superintendent.

KS 9/9

NOTE FILE

Development P.III.

Note for Circulation.

The Madras Corporation workers Union has been agitating for better conditions of service for some time past. They approached the Commissioner of Labour in May last detailing their several demands in respect of basic wages, d.a., free quarters, liberal leave facilities etc. The C.L. discussed the matter with the Corporation authorities and reported that no amicable settlement could be brought about in the dispute between the Corporation of Madras and their workers relating to their demands, as the Corporation authorities apprehended thereby additional financial commitment which they could not afford. Hence he suggested a conference at the secretariat level. Later the then Secretary of this Dept. (Mr. M.T.Raju) discussed the matter with C.L. and Deputy Commissioner of the Corporation. During the discussion it was pointed out that cases of glaring hardship should at least be remedied e.g. the basic wages of Rs.0-8-6 paid to the fitter cooly should be considered very low and that the minimum basic wages of an employee should not be less than the scale of Rs.23-1-28 allowed to a ~~gang~~ gang cooly. The Deputy Commissioner of Corporation promised to place the matter before the council and apprise us of its reaction. Accordingly the Commissioner of Corporation has now communicated the decision of the Council to defer the question of increasing the minimum basic wages of the workers to Rs.23. per mensem till the Corporation finances improve, as it involves an additional financial commitment of Rs.3 lakhs per annum and as their present financial position is unsatisfactory. The Commissioner of Corporation in his note to the Standing Committee (Taxation and Finance) and the Council at pp. 117-118 c.f. has worked out the details of the additional financial commitment amounting to Rs.3 lakhs for 5000 employees who are now paid less than Rs.23/- per mensem.

2. The workers union asks for adjudication in the matter if it is not possible to come to any amicable settlement.

No settlement seems possible since the Corporation is not prepared to enhance the minimum rates of wages at present. The L.A. Department say at page 9 ante that the budget estimate of the Corporation for 1949-50 works at a deficit of Rs.13.4 lakhs and in order to wipe off this deficit and to ~~xx~~ secure the statutory minimum balance of Rs.1.50 lakhs, the Corporation has been advised to retrench its expenditure in all directions especially under establishment and labour charges. They further say that the Corporation is paying a huge amount of over Rs.25 lakhs in dearness allowance alone to its employees and unlike certain mufussal municipalities it is not getting any grant from Government towards this expenditure, and if the dispute is referred for adjudiciation, the result may be disasterous to the corporation financially and this is bound to have its repercussions on the provincial finances also. They are confident that the Corporation may be depended on to rise up to the occasion if any direct action is precipitated by the workers. In these circumstances they suggest that the best course would be to leave the matter as it is till the question of fixing minimum wages for employment under local authorities under the minimum Wages Act 1948 is finally settled.

3. Under the Minimum Wages Act, minimum wages for employment under local authorities will have to be fixed before March 1950. During the recent conference of Labour Ministers at Mysore, some Provincial Governments pleaded the impossibility of finishing the work within the scheduled time. Though the official proceedings of the Conference have not yet been received, it has been understood from the Commissioner of Labour (who attended on behalf of this Government) that the date will be postponed by the Government of India till March 1951.

The machinery contemplated in that Act for fixing minimum wages is either

(i) an advisory committee nominated by the concerned Provincial Government consisting of employers, employees

and independent members in equal numbers, one of the independent members being nominated by the Government as Chairman; or

(ii) the Government themselves shall formulate proposals and publish them for criticism from persons affected and after considering the criticisms, finalise their proposals. In consultation with the Inspector of Local Boards and Municipal Councils and the Commissioner of the Corporation, the Govt. have decided to adopt the second of the two courses referred to above, and it is proposed to take the present rates in the local bodies as the minimum wages for inviting criticism.

4. The Union's case seems to be fair and they have been agitating in a constitutional manner. The point for decision, however, is whether we should have the machinery of the Industrial Disputes Act or that of the Minimum Wages Act. The former will undoubtedly be more acceptable to Labour, but an Industrial Tribunal consisiting merely of one person may complicate matters for the Govt. by an arbitrary award. In the case of the Govt. transport workers we have been refusing their persistent request for the appointment of a tribunal and we are taking action under the Minimum Wages Act. It seems therefore better to adopt the same procedure in this case also.

5. If the above suggestion is accepted the Employees' Association may be told that the Finances of the Corporation at present do not permit of any immediate relief to them and that the question of the minimum wages is being tackled by the Government under the Minimum Wages Act and that every endeavour will be made to expedite decisions.

C.P.G.
25-1-50

Notes from p, 12 ante may be perused. In matters where another Govt. Dept. in the Secretariat is concerned, as for example Home with reference to the Transport Department, it is not desirable to take action under the Industrial disputes Act, as this will be tantamount to one Dept of Govt. sitting in judgment over another. Moreover, the Industrial Tribunals as constituted at present are not the most satisfactory forums for dealing with large issues and broad policies, and will

continue to be of limited importance until the appellate Tribunals to be constituted on All India Basis under the provisions of the Labour relations bill start functioning., We may tell the Union that the Corporation has gone as far as it can in the present state of its finances, and that no further relief is possible at present until the finances of the Corporation improve.

Sd/ xx
28-1-50.
Secy.

H,M,(L.R.)

The Corporation must be told of the provision of the M.W. Act or the need for falling in line with other employers. We can not have a discontented labour in Madras whose case is just, without efforts being made no remedy the comlaint. The Mayor of Madras may be informed and asked to help the workers.

H.S.R.
3-2.50

H.M.(L.A.) S.C.
4-2.

H.M.(Fin.) B.G.R.
12-2.

H.Pr. P.S.R.
7-3-50.

To
A.S.

Draft Memo is submitted below for consideration.

L.A. may see before issue.

C.P.G.
13-3-50.

P.S.V.
24-3-50.
L.A.

L.A. DEPARTMENT

The notes and orders from p. 12 above and the draft memo below may be perused.

Sd/-x x
15-3-50

P.S.
15-3-50
Secy.

DEVELOPMENT

Draft below may now be issued.

C.P.G. 23-3-50.

(Issued as Memo No.56684 P.III 49-11, dated 23-3-1950.

To A.S.

This file relates to the grievances of the Corporation workers The Corporation has been finally asked to take steps to increase the minimum basic wages at least to a reasonable level in view of the obligatory provisions of the Minimum Wages Act 1948. No further action seems called for in this file. The paper may be closed and recorded as Ms. G.O. to facilitate further reference.

G.O.Ms.1643, dated 24-4-50.

Sub:-Labour Disputes
Demands of the Workers
of Madras Corporation-
papers recorded.

(True Copy)

Superintendent.

RB: 22-7.